

***The Public Service Commission
State of South Carolina***

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October 17, 2007

The Honorable Andre Bauer
President of the Senate
State House, 1st Floor
East Wing
P.O. Box 142
Columbia, South Carolina 29202

Dear Lieutenant Governor Bauer:

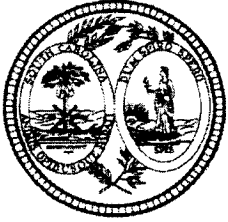
The South Carolina Public Service Commission is respectfully submitting Document No. 3124 relating to revisions to the Commission's regulations concerning Designation of Eligible Telecommunications Carrier status for legislative review. Inquiries regarding these regulations should be addressed to Jocelyn Boyd or David Butler at (803) 896-5100.

Thank you for your attention regarding this matter.

Respectfully Submitted,

Charles L.A. Terreni
Chief Clerk and Administrator

Enclosure



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October 17, 2007

The Honorable Robert William Harrell
Speaker of the House of Representatives
506 Blatt Building
Columbia, South Carolina 29211

Dear Mr. Speaker:

The South Carolina Public Service Commission is respectfully submitting Document No. 3124 relating to revisions to the Commission's regulations concerning Designation of Eligible Telecommunications Carrier status for legislative review. Inquiries regarding these regulations should be addressed to Jocelyn Boyd or David Butler at (803) 896-5100.

Thank you for your attention regarding this matter.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Charles L.A. Terreni". The signature is fluid and stylized, with a large initial "C" and a long, sweeping horizontal stroke at the end.

Charles L.A. Terreni
Chief Clerk and Administrator

Enclosures

DOCUMENT TRANSMITTAL FORM

This form must be completed and submitted with each document filed with the Editor of the *State Register* in the Legislative Council

Agency Name Public Service Commission	1. Chapter Number 103	2. Date of Filing October 17, 2007
3. Regulation Number 103-690	4. Subject of Regulation Designation of Eligible Telecommunications Carriers	
5. Statutory Authority S.C. Code Ann. Section 58-3-140		

6. Type of Filing

_____ NOTICE OF GENERAL PUBLIC INTEREST
_____ NOTICE OF DRAFTING
_____ PROPOSED REGULATION
_____ EMERGENCY REGULATION
____X____ FINAL REGULATION FOR GENERAL ASSEMBLY REVIEW
_____ RESUBMISSION OF WITHDRAWN REGULATION FOR GENERAL ASSEMBLY REVIEW
_____ FINAL REGULATION EXEMPT FROM GENERAL ASSEMBLY REVIEW

5. For Additional Information, Contact		6. Telephone Number
7. Typed Name of Official	8. Signature of Official	9. Date

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S.C. LEGISLATIVE COUNCIL

Document No. 3124
PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA
CHAPTER 103

Statutory Authority: S.C. Code Ann. Section 58-3-140

26 S.C. Code Ann. Regs. 103-690. Designation of Eligible Telecommunications Carriers

Synopsis: In Order No. 2006-71, the Commission granted the Office of Regulatory Staff's (ORS) Motion to initiate a rule-making proceeding to determine whether multiple ETCs should be authorized and to develop a single set of eligibility standards for Eligible Telecommunications Carrier (ETC) designation. The Commission held that a rule-making proceeding should be scheduled to examine the requirements and standards to be used by the Commission when evaluating applications for ETC status.

Instructions: Print regulations in accordance with directions given below to show most current date of revised regulations.

103-690 print as shown below

Text:

103-690. Designation of Eligible Telecommunications Carriers

A. Purpose.

1. This regulation defines the requirements for designation as an Eligible Telecommunications Carrier ("ETC") for the purpose of receiving federal universal service support, not state universal service support, pursuant to 47 U.S.C. § 214(e) of the Federal Telecommunications Act of 1996.

2. This regulation will ensure that the Commission will only grant a particular application if doing so will further the goals and purposes of the federal high-cost universal service fund and the universal service fund provisions of Section 254 of the Telecommunications Act of 1996. Specifically, that consumers in all regions of South Carolina, including those in rural, insular and high-cost areas will have access to telecommunications services comparable to those in urban areas of the state.

3. Notwithstanding the ETC applicant's regulatory status or the Commission's jurisdiction over the applicant's regular operations, in seeking designation as an ETC, the applicant acknowledges the Commission's authority and jurisdiction to impose such regulations on ETCs, including the applicant, as are in the public interest.

B. Definitions.

1. Cell Site. A geographic location where antennae and electronic communications equipment are placed to create a cell in a cellular network for the use of mobile phones. A cell site is composed of a tower or other elevated structure for mounting antennae, and one or more sets of transmitter/receivers, transceivers, digital signal processors, control electronics, and backup electrical power sources and sheltering.

2. Commission. The word Commission in this regulation means the Public Service Commission of South Carolina.

3. Eligible Telecommunications Carrier (ETC). An ETC is a carrier as defined in 47 U.S.C. §214(e).

4. Lifeline Service. Lifeline Service is a service as defined in 47 C.F.R. §54.401.

5. Link Up Service. Link Up Service is a service as defined in 47 C.F.R. §54.411.

6. ORS. The abbreviation ORS in this regulation means the Office of Regulatory Staff.

7. Wire Center. A geographic location of one or more local switching systems; a location where customer loops converge. References to the evaluation of service within a wire center, for purposes of this regulation, shall mean an evaluation of the quality of the services provided in that part of the licensees' service area served by a cell site in the event the applicant is a wireless service provider.

C. Requirements for initial designation as an Eligible Telecommunications Carrier.

(a) The Commission may upon its own motion or upon request, designate a common carrier that meets the requirements in this section, and the public interest standard set forth in subsection (b) of this section, as an ETC for a designated service area. ETCs shall offer services in compliance with 47 C.F.R. §54.101. Upon request and consistent with the public interest, convenience and necessity, the Commission may, in the case of an area served by a rural telephone company, and shall, in the case of all other areas, designate more than one common carrier as an ETC for a service area designated by the Commission. Before designating an additional ETC for an area served by a rural telephone company, the Commission shall find that the designation is in the public interest. On or after the effective date of this rule, in order to be designated an eligible telecommunications carrier under 47 U.S.C. § 214(e)(2) of the Federal Telecommunications Act of 1996, any common carrier in its application filed with the Commission and a copy provided to the ORS must provide the following information:

(1) (A) commit to provide service throughout its proposed designated service area to all customers making a reasonable request for service. Each applicant shall certify that it will (1) provide service on a timely basis to requesting customers within the applicant's service area where the applicant's network already passes the potential customer's premises; and (2) provide service within a reasonable period of time, if the potential customer is within the applicant's licensed service area but outside its existing network coverage, if service can be provided at reasonable cost by (a) modifying or replacing the requesting customer's equipment; (b) deploying a roof-mounted antenna or other equipment; (c) adjusting the nearest cell tower; (d) adjusting network or customer facilities; (e) reselling services from another carrier's facilities to provide service; or (f) employing, leasing or constructing an additional cell site, cell extender, repeater, or other similar equipment.

(B) submit a two-year plan that describes with specificity proposed improvements or upgrades to the applicant's network on a wire center-by-wire center basis, or on a cell site-by-cell site basis if the applicant is a wireless carrier throughout its proposed designated service area. Each applicant shall demonstrate:

1. How it plans to expand its network to ensure that unserved and underserved rural or high-cost areas will receive sufficient signal quality, that coverage or capacity will improve due to the receipt of high-cost support throughout the area for which the ETC seeks designation;
2. A detailed map of the coverage area before and after the improvements and in the case of a CMRS provider, a map identifying existing and proposed tower site locations;
3. The specific geographic areas where the improvements will be made;
4. The projected start date and completion date for each improvement;
5. The estimated amount of investment for each project that is funded by high-cost support;
6. A statement as to how all of the facilities funded by high-cost support are eligible for such support;
7. The estimated population that will be served as a result of the improvements;
8. If an applicant believes that service improvements in a particular wire center or on a particular cell site are not needed, it must explain its basis for this determination and demonstrate how funding will otherwise be used to further the provision of supported services in that area; and
9. A statement as to how the proposed improvements funded by universal service dollars would not otherwise occur absent the receipt of high-cost support and that such support will be used in addition to any expenses the ETC would normally incur.

(C) for carriers seeking certification in areas not eligible for High Cost Support from the USF, but seeking ETC designation for the purpose of participation in the Lifeline and Link Up programs, the following shall apply in lieu of paragraph (B) above: shall submit a two-year plan that describes the carrier's plans for advertising and outreach programs for identifying, qualifying, and enrolling eligible participants in the Lifeline and Link Up programs. All other provisions of this subsection shall apply.

(2) demonstrate its ability to remain functional in emergency situations, including a demonstration that it has a reasonable amount of back-up power to ensure functionality without an external power source, its ability to reroute traffic around damaged facilities, and its capability of managing traffic spikes resulting from emergency situations. The Commission shall determine on a case-by-case basis whether a carrier has demonstrated its ability to remain functional in emergency situations.

(3) demonstrate that it will satisfy applicable consumer protection and service quality standards. A commitment by wireless applicants to comply with the Cellular Telecommunications and Internet Association's Consumer Code for Wireless Service will satisfy this requirement. Other commitments will be considered on a case-by-case basis.

(4) demonstrate that it offers a local usage plan comparable to the one offered by the incumbent LEC in the service areas for which it seeks designation.

(5) certify by affidavit signed by an officer of the company that the carrier acknowledges that the Federal Communications Commission may require it to provide equal access to long distance carriers in the event that no other eligible telecommunications carrier is providing equal access within the service area.

(6) certify by affidavit signed by an officer of the company that it does offer or will offer the services that are supported by the federal universal service support mechanisms by using its own facilities or a combination of its own facilities and resale of another carrier's services.

(7) certify by affidavit signed by an officer of the company that it does or will advertise in a media of general distribution the availability of such services, including lifeline services and the applicable charges.

(b) *Public Interest Standard.* Prior to designating an eligible telecommunications carrier pursuant to 47 U.S.C. § 214(e)(2), the Commission must determine that such designation is in the public interest. In doing so, the Commission shall consider, *inter alia*, the benefits of increased consumer choice, and the unique advantages and disadvantages of the applicant's service offering. In instances where an eligible telecommunications carrier applicant seeks designation below the study area level of a rural telephone company, the Commission shall also conduct a creamskimming analysis that includes, but is not limited to, comparing the population density of each wire center in which the eligible telecommunications carrier applicant seeks designation against that of the wire centers in the study area in which the eligible telecommunications carrier applicant does not seek designation. The Commission shall not designate a service area to an ETC that is smaller than an entire wire center.

Fiscal Impact Statement: There will be no increased costs to the State or its political subdivisions.

Statement of Rationale: The purpose of 26 S.C. Code Ann. Regs. 103-690 is to create a regulation which governs the designation of eligible telecommunications carriers utilizing a set standard for review. There was no scientific or technical basis relied upon in the development of this regulation.